

The Director of Central Intelligence

Washington, D.C. 20505

Intelligence Community Staff

18 April 1977
ICS 77-2142/a

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MEMORANDUM FOR:

FROM :

Director of Performance Evaluation
and Improvement

SUBJECT

: Issues and Related Material for PRM-11
Task 3 Drafting Group

Enclosed are three pieces I wish to submit for the "issue definition" phase of our activity:

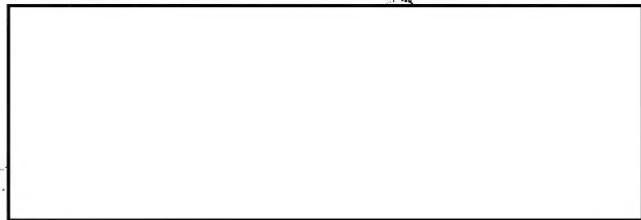
a. Issue Papers - This is a collection of issue papers, with a front piece, prepared for a meeting of the DCI-chaired Task 2 Subcommittee, which never considered it. Were I to start a new list of issues from scratch right now, I would come out pretty much the same. (Tab A)

b. Draft: The Roles of the DCI and US Intelligence: An Organizational Analysis - This is a draft of the first three parts of the Task 2 report annex. Part IV, Assessment, will await comments from within the Community on the first three. My instructions are that it will back up whatever the DCI hammers out as a very short main submission on Task 2. In the meantime, I offer it on an "Eyes Only" basis to stimulate Task 3 thinking. (Tab B)

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c. The Intelligence Community Staff's "Semiannual NSC Intelligence Review" - All of you have probably received, but I will bet not all have read, this report. I offer it up as one basis for deliberating on how product quality relates to all the other issues with which we have to grapple. (Tab C)

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Attachments:

- Tab A - Issue Papers
- Tab B - "The Roles of the DCI and US Intelligence: An Organizational Analysis"
- Tab C - "Semiannual NSC Intelligence Review"

Distribution:

✓Original - PRM-11 Official File, w/Tab [redacted] B

1 - [redacted]
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The Roles of the DCI and U.S. Intelligence:
An Organizational Analysis

PRM-11, Task 2 Annex

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Executive Summary [forthcoming]

- I. Introduction [attached]
- II. Basic Criteria for Organizational Judgment [attached]
- III. The Roles of the DCI [attached]
- IV. Assessment: Major Problem Areas and How They Relate to Structure and Authority [forthcoming]

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The Role of the DCI and US Intelligence: An Organizational Analysis [Parts I and II]

I. Introduction

In PRM/NSC-11, the President directed a thorough review of the missions and structure of US intelligence entities with a view to identifying needed changes. As part of this review, the Director of Central Intelligence (DCI) was directed to analyze his own role, responsibilities, and authorities. This report responds to that task.

In order to understand fully the present role of the DCI it is necessary briefly to examine the total context of US intelligence activities in which that role is performed, a context that embraces intelligence organizations collectively known as the Intelligence Community (IC) and many other elements of government.

US intelligence is a kaleidoscopic foreign information activity that encompasses many organizations, a wide diversity of information sources and handling techniques, the total spectrum of topical problems presented by the outside world, and a broad and varied array of users for whom intelligence is developed. (Several Figures displaying the IC structure will be included.) A formal activity of government,

intelligence is distinguished from other forms of foreign information development by three main characteristics:

- a. It involves systematic collection, by human agents and technical means, of information other governments attempt to keep secret.
- b. It involves systematic correlation and analysis of all pertinent information, including both data collected by secret means and publicly available information.
- c. It involves systematic dissemination of resulting data and judgments to those who need them to make decisions or to conduct policy actions.

These three characteristics of intelligence are the vital steps in a complex intelligence process. That process involves many identifiable but overlapping steps (a Figure will display steps, organizations, disciplines):

- a. identification of user needs for information;
- b. specification of intelligence requirements and priorities for collection entities;
- c. tasking and operating collection entities in accordance with these requirements and priorities;
- d. processing collected data into usable information;
- e. correlation and analysis of reported information to produce factual comment or understanding of an intelligence problem;
- f. production and dissemination of a final product.

This process may take place in minutes or it may take years, depending on the intelligence problem involved and the resources at hand for solving it.

Wherever it takes place, this process compels complex interactions among individuals, organizations, and machines. This process must be managed in two senses: Existing resources must be focused on and interconnected for the solution of existing intelligence problems, which include the task of keeping a watchful eye on the "unknown problem" or warning. At the same time, plans, programs, and budgets must be prepared and decided on that will assure the availability of resources in the future to solve anticipated intelligence problems; here the lead-times involved in assembling some technical and human tools may reach out as far as ten years or more.

Despite its being a relatively discrete and identifiable activity, US intelligence is distributed among a large number of government organizations. Thus, the term Community is commonly used in discussing it. Bureaucratic history explains the present distribution of US intelligence activities to some extent. But more fundamentally this distributed condition of US intelligence arises from the very nature of the business. All the diverse entities of government involved in foreign and national security

affairs need intelligence. Those entities all, in varying degrees, produce intelligence or generate information directly useful to intelligence. And the intelligence process itself is highly diversified, either requiring or accepting a diversity of organizational contexts for doing different parts of the business. Although it passed several major organizational milestones since World War II, US intelligence has, in the main, evolved organically to accommodate this need for or fact of diversity.

Intelligence can be thought of as a service industry in government, serving a great variety of customers with greatly varying needs. At the very origins of post-war US intelligence, Congress and the President responded to a strongly perceived need to create unity amid this diversity to some degree and with respect to some problems of intelligence. The Office of the DCI and under him the Central Intelligence Agency (CIA) were created to afford a degree of unity -- as well as some independence from the policy process -- with respect to information and judgment on intelligence questions of national importance. In the intervening years, the size and diversity of US intelligence has grown. But so also have the pressures for unity amid diversity. As the nation's senior, full-time intelligence functionary, the DCI

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has been the focus of these pressures. He is the President's principal advisor on foreign intelligence; and national intelligence of preeminently Presidential concern is produced under his authority. He has come to preside over Community mechanisms that decide how to use major technical collection capabilities on a day-to-day basis. Since the November 1971 directive of President Nixon, he has been increasingly expected by the President and the Congress to be the guiding authority with regard to programs and fiscal resources of US intelligence entities specified as national.

The purpose of this report is essentially to describe and assess these unifying roles of the DCI, along with other, in some respects conflicting, roles he has. Such an assessment of the roles of the DCI is essential to deciding anew the more basic questions:

- a. What degree, extent, and kind of unity should be sought in the inherent diversity of US intelligence?
- b. Who should be responsible for it and with what powers?

The role of the DCI is anchored in a direct line of authority from the President and his advisory body, the National Security Council (NSC), to the DCI to the CIA. This line originated with the office of the DCI and is unambiguous. Surrounding this direct line, however, are a host of vital relationships with other entities of the Executive Branch who generate and receive intelligence. These other relationships do as much to shape the role of today's DCI as does his line command of CIA. For many years CIA has been highly dependent itself on them. In recent years, they have even strained the DCI's relationship with CIA.

Of these other relationships, that with the Department of Defense (DOD) is the most involved. Indeed, characterizing this relationship goes a long way toward defining the role of today's DCI. It shall be treated further in following sections. Here it should be noted that:

- a. The DOD is the most voracious consumer of intelligence, by volume, from the Community of agencies over which the DCI has responsibility. Its needs for intelligence approach those of the entire government in scope and variety. And, of course, many of its needs arising from force planning and operational action responsibilities are large and unique.

b. Much of the raw intelligence on which the performance of the DCI as intelligence producer depends is collected and processed by intelligence elements within the DOD.

c. Defense intelligence production entities, in addition to supporting DOD consumers, play a major role in the development of national intelligence judgments through the National Foreign Intelligence Board (NFIB) and national estimates. In many areas of analysis, their contributions are unique.

d. Because some 80 percent of the National Foreign Intelligence Program (NFIP) is located in the DOD, it is with the intelligence authorities of this department that the DCI and his Community staff must interact most intensely to develop the consolidated NFIP and budget for which he is responsible.

e. It is in the relationship with DOD that the interwoven complex of national, departmental, and tactical intelligence needs and capabilities arises most sharply to complicate the definition of the DCI's role. The DOD possesses the largest assortment of entities that could be described by each or all of these adjectives.

f. In the event of war, the DCI's role could conflict with that of the Secretary of Defense.

Although not as ramified, the DCI's relationship with the Department of State is also vital. Foreign Service reporting -- a form of collection not identified as intelligence -- makes a major contribution to political and economic intelligence. [redacted]

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[redacted] State in Washington and the Ambassador overseas play key roles in approving the conduct of sensitive clandestine operations. State is also a heavy consumer of foreign intelligence, and its Bureau of Intelligence and Research (INR) both contributes to national intelligence judgments and produces unique political analyses.

Small in size and specialized in interest, the intelligence elements of the Treasury Department, Energy Research and Development Agency (ERDA), and Federal Bureau of Investigation (FBI) flesh out the formal intelligence relationships of the DCI's Community. They and the departments they serve have increased in importance as intelligence has had to diversify into new areas of international economics, nuclear proliferation, terrorism, and drug control.

II. Basic Criteria for Organizational Judgment

In understanding or structuring any management system, a first task is to establish the functioning spheres of responsibility and authority, and their limits -- essentially how the cloth is divided. The second task is to establish how and to what extent that cloth is sewed back together in order to overcome the negative aspects of necessary divisions of responsibility and to make the parts function as a whole. This challenge is very large in US intelligence because of institutional and functional diversity and the countervailing necessity that the parts interact as a whole.

One approach frequently used to rationalize Community structure is to argue distinctions between national, departmental, and tactical intelligence. This tripartite formula arises largely from the relationship of the DCI and the DOD, but has pale reflections in the intelligence-related functions of other departments, e.g., in the reporting of Foreign Service Officers or Treasury attaches. This formula has serious weaknesses and frequently confuses more than it clarifies. Defining the terms usually obliges use of other terms left undefined. For example, it is said that national intelligence is that intelligence needed by the President, the NSC, and senior US officials to make national policy decisions. But what are national policy decisions? They are decisions those officials want and are able to make.

The essence of the organizational problem in intelligence is that these concepts overlap extensively in meaning at least some of the time. The needs of consumers overlap. The President is always interested in broad assessments of Soviet foreign and military policy. In a crisis at sea, he is likely to be interested in the exact location of specific naval combatants. By the same token, a field commander or foreign mission chief needs broad strategic assessments. The uses to which a given intelligence fact or judgment can be put also overlap in the tripartite formula. An assessment of the hardness of Soviet missile silos can be of direct value to the operational planner of strategic strikes, to the force planner, to strategy and national policy planners, and to the arms controller. The President is likely to be interested in all these applications. The organizations and systems that collect intelligence data also overlap the categories of national, departmental, and tactical. This is particularly true with emergent space-based reconnaissance systems when a given system may monitor arms control agreements, [redacted]

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[redacted] supply warning, and support tactical military operations.

Thus, the key organizations and systems of US intelligence can or do play extensively overlapping roles at different times. Although only imprecisely, one can

distinguish among primary and secondary missions in terms of the national, departmental, and tactical formula. But this only resolves the easy cases, leaving a large middle ground for argument and a poor basis for organizational judgment.

Organization is about management, and management is about basic purposes and standards of performance. Organizational judgment must be based on a clear understanding of basic performance criteria that do or should govern US intelligence. Three such criteria are propriety, effectiveness, and efficiency.

Propriety demands that US intelligence be conducted in conformity with the legal and political standards of our country as interpreted by proper authority. In today's conditions, propriety may tend to conflict with effectiveness and efficiency by restricting certain means of collecting or using intelligence or forbidding the collection or use of certain kinds of intelligence. It tends to conflict with intelligence requirements for secrecy on which effectiveness and efficiency depend. Assuring the propriety of US intelligence in appropriate balance with conflicting considerations is not essentially a matter of organization, although clear lines of command and management responsibility ease this task. This is essentially a matter of:

- a. establishing a sound environment of law and regulations.

- b. establishing sound oversight or policing mechanisms within and outside intelligence organizations.
- c. cultivating appropriate professional and management values within intelligence entities.

Establishing the demands of propriety on intelligence and assuring that they are met is a matter demanding careful thought and high-level decision. But because few organizational issues are raised, this subject will not be treated extensively in this report (see pp.).

The concept of effectiveness in intelligence management has many dimensions. It is output or product oriented. It is therefore preoccupied with consumers, who they are, what they need, when they need it, and why they need it. As indicated above, US intelligence serves a great variety of consumers with a great diversity of needs. Within the Executive Branch they can be arrayed in terms of the following rough hierarchy:

- a. The President, the NSC, and Cabinet-level decisionmakers; those who decide the policies of the Administration on foreign, military, arms control, and foreign economic matters, and on crisis management.
- b. policy and strategy planners, option developers; force posture, major program and budget developers, planners of negotiations; those who present the Presidential and NSC level with structured choices on broad policy issues and crisis options.

c. central implementers of policy and operational planners in foreign, military, and foreign economic areas.

d. field and tactical decisionmakers; policy or plan implementers, e.g., diplomats and military commanders.

These kinds of intelligence consumers are found, of course, in the main departments of the US national security establishment, the Executive Office of the President and the NSC Staff, State, Defense, the Arms Control and Disarmament Agency (ACDA), but also in most other departments and several regulatory agencies to a lesser degree. One must also count Congress as a substantial consumer of intelligence, and, to a degree, the public which, by fair means or foul, receives a substantial amount of its information about the world indirectly from US intelligence. Finally, because it must store up information and analysis to meet future or unexpected needs, intelligence is itself a major consumer of intelligence end products. But service to the policymaking entities of the Executive Branch is the measure of effectiveness in intelligence. Their needs for intelligence are without limit in principle and constantly growing in practice. They touch upon all areas of the globe and embrace most fields of human knowledge. It should also be noted that very few consumers of intelligence have any direct responsibility for or even contact with the management or allocation of intelligence resources. For most consumers at all levels intelligence service appears as a "free good," however satisfactory or unsatisfactory the supply.

Effective service or output to intelligence consumers dictates a number of organizational principles:

- a. The service or output end of intelligence must be highly diversified and relatively specialized to meet the diverse special needs of consumers. This means a need for specialized intelligence production support to departments, agencies, subcomponents, commands, etc. -- size, scope, and level depending on the case. The Defense Intelligence Agency (DIA), INR, the Foreign Technology Division of the Air Force, and ERDA's intelligence element are examples of the level of support to departments.
- b. The President, the NSC, and, for that matter, all other major consumers need some source of intelligence that is independent of policy institutions and broadly competent. This principle justifies CIA's role as a producer of finished intelligence.
- c. To the extent practicable and consistent with security, the system must fully share information within itself. To the maximum extent possible, all output entities in a given subject area should share the same data and analysis.
- d. This diverse output Community must have means to come together to render a collective judgment or disciplined disagreement on vital intelligence issues. This is essentially what national estimates and like interagency products have been intended to do.

Of course, effective intelligence support to consumers depends on a great many considerations other than organizational structure. But the output structure of US intelligence must reflect the above principles to be effective at all.

The criterion of efficiency in US intelligence is concerned with resource inputs, the processes whereby they are employed, and their impact on output. After several decades of "organic growth" during the Cold War, concern for efficiency in Community-wide resource management is a comparatively recent phenomenon, accompanying a general skepticism about national security spending and a downturn over the last half-dozen years in real outlays on intelligence. Critical scrutiny of intelligence behavior by government and public has intensified the concern with efficiency in the last three years. In the 1970s, two Presidential initiatives relating to Community authority structure, in 1971 and 1976, were both wholly or partly directed at improving the efficiency of Community resource management.

Efficient management of intelligence resources proceeds in two connected dimensions. Existing resources must be optimally deployed and operated to meet existing intelligence needs according to a priority scheme that managers can base predictions on but that is still flexible. At the same time and largely by the same set of managers, decisions must be made as to

what magnitude and mix of resources should be mobilized for the future. How these two kinds of decisions are reached in the Intelligence Community will be discussed in the next section (see pp.). Again, however, some attempt to state first principles can help to understand and judge present arrangements

At the outset, it should be recognized that, whatever the deficiencies of intelligence analysis and its management may be, intelligence resource management is largely a matter of managing collection and processing resources because that is where most of the money and manpower are. Duplication or gaps in the development and use of these resources are more costly in fiscal terms than in analysis and production.

Another significant point -- a commonplace to involved professionals but not always appreciated by others -- is that many collection assets are developed to gain broad access (e.g., a broad area imaging system) or potential access (e.g., an agent with a promising future or a regional clandestine posture). Broad access systems require extensive selection and processing for useful data. The ratio of useful data to all data collected is almost always low; and the ratio of useful data collected to useful data identified and exploited can hardly ever be one. Potential access capabilities may or may not yield as anticipated.

Moreover, intelligence is a subtle, usually non-violent, but nevertheless direct form of human conflict. Those managing intelligence resources are in reality doing battle with other, frequently skillful, human beings whose main aim in life is to frustrate the former's efforts. These conditions challenge the quest for efficiency, but should induce a certain modesty in one's goals.

In terms of structure, efficient management of current resources against current needs means giving control to the party with the incentive to seek and the capability to approximate the optimal allocation. To the extent intelligence collection and processing resources are expensive and scarce, relative to perceived needs, there is a legitimate tendency to centralize control. But equally legitimate factors limit such centralization of control. Control may need to be contingent on changing conditions in the case of capabilities with varied application. Thus arises the question of shifting control of certain collection assets from the DCI in peace to military authorities in war. Some collection capabilities, such as tactical reconnaissance organic to combat forces, are justified solely for the contingency of war support to those forces and must be controlled and subordinated accordingly. Some degree of decentralization is reasonable

in intelligence processing, e.g., photo interpretation, signals analysis, document translation, to achieve focus and promptness in the service of analytic users.

Assigning responsibility for programming future intelligence resources for efficient satisfaction of future needs is essentially a matter of deciding what should be traded off against what to maximize what value. What should a given program element compete against in order to justify itself? And against what primary value? Desirable multipurpose capabilities may have to compete simultaneously in several trade-off and value markets. This logic would insist that the DCI and the main departmental custodian of intelligence assets, DOD, should be running materially different resource trade-off markets. The DCI should be expected, in the main, to trade off intelligence resources against other intelligence resources. The DOD should, by and large, be expected to trade off intelligence resources against military forces and support programs.

Here it should also be noted that the care and incentives applied to the trade-off of interest may vary with the size of the intelligence package relative to the market place in which it competes. The DCI market place is 100 percent intelligence. The DOD market place is less than 5 percent intelligence.

The quest for efficient intelligence resource management involves a built-in tension between what might be called "autocratic" and "democratic" necessities. Of course, some technical collection systems must receive a single set of unambiguous instructions by their physical nature. Imaging satellites are the most striking example. To that extent, they oblige an "autocratic" control regime.

There is a temptation to argue that a single authority could maximize resource management efficiency by overriding bureaucratic conflicts to force unpalatable trade-offs. But one must remember that the essence of intelligence management at the Community level is tying together a diversity of "outlets" serving diverse customers and a diversity of primary suppliers or collectors. If one could construct a model that perfectly captured and forecast the entire scope, all the details, and all the interconnections of this environment, then there would be no resource management problem to be resolved and any bureaucratic structure would do. The model would manage it. But such a model does not exist. Rigorous analysis can be applied to help resolve some subsets of the larger decision set. But it is dominated by areas where judgment, experience, intuition, and conflict among reasonable but different interests reign. Because no single authority, be it individual or group, can capture the reason inherent in this

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diversity, the Community must afford a "democratic forum" in which this reason can suitably inform current allocations and future programs. It is the role of central authority to assure that the forum exists, to extract reasoned judgment rather than simple majority will from it, and to resolve persistent disputes. This need to balance between "autocracy" and "democracy" in intelligence resource management inheres in the nature of the intelligence function, no matter what the organizational or authority structure of the Community.

Finally, the mechanism for intelligence resource management must encourage innovation and experimentation. Too fanatic a search for efficiency can lead to a tight management culture that suppresses the innovations on which improved performance depends.

III. The Role of the DCI: A Critical Summary

This section examines ten key roles of the DCI. They are:

- a. Principal advisor to the President and the National Security Council (NSC) on foreign intelligence affairs;
- b. Producer of national intelligence;
- c. Head of CIA;
- d. Leader of the Intelligence Community;
- e. Protector of the security of intelligence sources and methods;
- f. Participant in US counterintelligence policies and activities;
- g. Guarantor of the propriety of foreign intelligence activities;
- h. Coordinator of liaison with foreign intelligence services;
- i. Spokesman to Congress on foreign intelligence;
- j. Spokesman to the public on foreign intelligence.

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DCI roles are an assemblage of responsibilities, powers, policies, actions, and implementing institutions. In discussing each role, this section will attempt to identify its basis in law, executive order, NSC Intelligence Directive, etc.; explain what the role consists of and what organs are involved; describe its problems, shortfalls, and tensions; and explore where relevant its implications for Community structure.

III. A. Principal Advisor to the President and the NSC on Foreign Intelligence Affairs

This role derives from Section 102(d), 1 and 2, of the National Security Act of 1947 which defines the duties of CIA and, thereby, those of the DCI to the NSC and, thereby, to the President:

(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency, under the direction of the National Security Council --

(1) to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

(2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;

The intelligence advisory and coordinating roles defined by the 1947 Act were not given to the DCI as separate from CIA, but lodged in the CIA and, thus, made responsibilities of the DCI. Executive Order 11905 specifies this role for the DCI directly; he shall "act as the President's primary advisor on foreign intelligence . . ."

[Relevant NSCIDs, Congressional authority?]

The role of the principal advisor includes:

a. Presentation and discussion of intelligence in meetings of the NSC and its committees, now the Policy Review Committee (PRC) and the Special Coordination Committee (SCC), and with the President directly;

b. Advising on sensitive intelligence operations in the SCC and with the President directly;

c. Advising on intelligence policy and resources generally in the NSC arena, a role that now overlaps with the DCI's role as Chairman of the PRC (Intelligence), the Committee on Foreign Intelligence (CFI) under E. O. 11905.

As an observer and advisor to the NSC, rather than a statutory member, and by the traditions of intelligence, the DCI is not a formal participant in formulation and decision on US national security policy. But the distinction between intelligence advice and policy counsel in small, high-level debates can become blurred, especially during crisis situations. Some DCI's have been relatively direct participants in the policy process at the NSC level, others more distant in their advisory role. The way this role is played depends in large measure on the personal relationship of the DCI with the President and other senior members of his Administration.

Several recent Directors have emphasized the importance of direct contact and close rapport between the DCI and the President.

As an advisor on substantive intelligence, the DCI draws his main support at present from his staff of National Intelligence Officers (NIOs) and the Intelligence Directorate (DDI) of CIA. But other analytical components of the Intelligence Community may be the source of information on the subject at hand. Non-CIA elements of the Community fear to some extent that the DCI's personal intelligence input to high-level policy deliberations is too much a monopoly of CIA by virtue of the DCI's physical location and line relationship with CIA. At the same time, State and Defense elements of the Community can have a direct influence in this arena by informing the views of the Secretaries of State and Defense and the Chairman of the Joint Chiefs of Staff.

Especially as it is linked with a responsibility for substantive intelligence production, the DCI's role as principal advisor has important implications for Community structure. It makes him the senior, full-time functionary of the Executive Branch in the area of foreign intelligence. It places an officer with executive responsibility over a

key intelligence agency and substantive responsibility for any intelligence issue of top-level interest in direct contact with the President, not reporting through a Cabinet member. To the extent there is perceived a need for someone to organize and manage the intelligence affairs of the US government as a whole, there results a natural tendency to look to the DCI. This tendency has been manifest in the November 1971 directive, E. O. 11905, and Congressional sentiment.

III. B. Producer of National Intelligence

The DCI's role as producer of national intelligence originates with the duty given the CIA in the National Security Act of 1947 to "correlate and evaluate" intelligence available anywhere in the US government. E. O. 11905 merely states that the DCI shall "provide [the President] and other officials of the Executive Branch with intelligence, including National Intelligence Estimates (NIEs), . . ." [Cite NSCID old and new]

Defining this DCI role often becomes mired in a fruitless effort to define national intelligence as distinct from other forms, such as departmental or tactical. In principle, national intelligence is not distinct from these other forms but a whole that is greater than the sum of the parts. Its hallmarks are that it:

- a. Addresses the needs of the President, the NSC, and other high-level decisionmakers.
- b. Incorporates all relevant information and sources available to the government;
- c. Represents the best analysis and judgment available to the government;

d. Provides for a disciplined expression of agreement and dissent among participating members of the Intelligence Community, thereby allowing for the expression of departmental perspectives on national intelligence issues.

National intelligence frequently overlaps extensively with intelligence that serves departmental and tactical needs, in terms of sources, content, and intended audience or use. It frequently draws upon inputs from departmental elements of the Community. It frequently contributes to meeting departmental needs; NIEs, for example, are supposed to provide the basis for DIA's Defense Intelligence Projections for Planning (DIPP).

In any case, national intelligence has the two principal missions of providing to top-level US decisionmakers authoritative intelligence information and judgment relating to national security policy and to provide warning of impending developments affecting US national security. A corollary of the second mission is to provide intelligence support during crisis or conflict situations to the President and his immediate advisors.

NIEs are the most formal vehicles for developing and conveying national intelligence. In fact, national estimative products flow via the varied means of major national estimates, which may, as in the case of those on Soviet strategic forces, be of large scope and volume; special NIEs on selected topics; and interagency papers aiming for collective judgment but lower authority. Such products may be requested by users or initiated by the DCI or a member of the National Foreign Intelligence Board (NFIB). Their preparation is typically organized and supervised by members of the DCI's NIO staff, but the burden of analysis and drafting lies mainly with Community production elements. Final products are reviewed and approved by the NFIB, where significant dissents are incorporated. The main judgments of an NIE, however, are the DCI's and he has, in principle, considerable latitude in determining how an estimate is to be prepared, what it says, and what disputes are germane to the final product.

National estimate production has occasioned a number of criticisms and problems in recent years. NIEs attempt to pull information together from and to serve all quarters. As a result critics frequently find them insufficiently focused and clear in judgment; collective judgment is frequently

charged to be waffled consensus. Moreover, major NIEs are very labor-intensive efforts; much of the typically scarce analytic talent available in the Community on a specific topic is tied up in negotiating over draft language. Sometimes this clarifies understanding, but frequently it is no more than writing by committee. As a major estimate marches forward to NFIB consideration, analytic experts become supplanted by agency representatives -- whose talents and instructions may vary a good deal -- in the task of determining what the estimate says.

The process of preparing estimates today is substantially more ecumenical than it used to be. NIOs make a deliberate effort to involve agencies other than CIA in major drafting responsibility. Nevertheless, proximity of crucial talent obliges the NIOs to lean heavily on CIA analysts. This produces two problems: complaint from other intelligence agencies, especially in Defense, that CIA continues to dominate the estimative process; and complaint by the line managers of CIA's analysts, notably the DDI, that NIOs are in fact directly tasking their people -- something they claim the NIOs cannot do.

Under E. O. 11905, the responsibility for producing national current intelligence -- as distinct from estimates -- is given, or recognized to lie with, CIA. The function of

current intelligence is to communicate a running account of events abroad, what is happening, who is involved, what is likely to happen next. Its major vehicles are the President's Daily Brief, a product of extremely limited circulation, and the National Intelligence Daily, aimed at a larger audience from the Assistant Secretary level on up. CIA, DIA, and the National Security Agency (NSA) also produce a large variety of current intelligence products that distribute the "news" to much larger audiences. National current intelligence items are coordinated among interested agencies as time and subject permit.

Although cutbacks have been made in CIA's manpower for current intelligence, it is still an expensive business at CIA and elsewhere. Again, the effort to supply a good information service to many varied consumers comes in for criticism. Some find the lack of analytic depth dissatisfying, while relevant estimates are too infrequent or long-term in focus to provide a reliable fare of mid-range analytic commentary.

If national intelligence is defined as that which contributes to national policymaking, then other, much less formal kinds of products must be included, such as inputs to Presidential Review Memoranda (PRMs), formerly National Security Study Memoranda (NSSMs), and direct support to on-going policy processes, such as the SALT and MBFR negotiations. The process whereby these contributions are made varies a great deal. On the whole, it involves much less effort to mobilize

and to coordinate Community-wide judgment on the part of the DCI. CIA, with or without involvement by NIOs, may make an input directly. Departmental intelligence elements may collaborate with CIA participants, or input directly via departmental participants. In mammoth undertakings, such as NSSM 246 and the current PRM-10, an effort may be made to construct a Community-wide effort.

The lack of a formal system for making national intelligence inputs to major policy studies has been troubling. The risk of shoddy or biased intelligence inputs to important studies exists. Yet, in fairness, it should be stated that the intelligence support to these efforts can hardly be better organized or executed than the main study efforts themselves, where a somewhat uneven record exists. The key problem here for the DCI is that intelligence contributions of substantial importance to national policy are being made in a manner that precludes his effective oversight and quality control. Whether or not he has or should have formal responsibility for such inevitably informal interactions with the policy process is an open question. Yet it is very much in this arena of direct give and take between intelligence specialists and policy staffers that crucial services are rendered and, furthermore, consumers decide whether they think well or poorly of that service.

"Net Assessment" is another area of intelligence support to policy where problems and much semantic confusion have arisen. Particularly as Soviet military power has overtaken that of the US in various areas, US policymakers have demanded from many sources, including intelligence, ever more sophisticated comparisons of US and Soviet power. Because such assessments involve or imply judgments about US military or other capabilities, some argue that intelligence should not conduct them.

In one light, net assessment is but a set of tools or methodologies used to answer legitimate intelligence questions: What are the military capabilities of a foreign power, what are his most appealing options, how might the military balance look to him? Using tools of operations research and systems analysis, these questions can be addressed in terms of duels between single weapons, force elements, or total military posture. When looking at Soviet forces or other potential opponents of the US, it is reasonable to use realistic data and assumptions about US force capabilities in doing these analyses, even though some judgment about US policy and forces is implied by the outcome of the analysis.

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Net assessment in support of intelligence analysis is an entirely legitimate function of intelligence. Components in the Community appropriate to do such analysis have difficulty, however, in acquiring enough people with necessary skills and reliable information on US capabilities to conduct such analyses on a meaningful scale.

Another problem arises with respect to net assessment aimed specifically at informing policy choice or the selection of force options. Here, most in the Intelligence Community would agree that intelligence should be limited to a supporting role, making necessary inputs to what is directly a form of policy analysis. But even a supporting role requires that there be something fairly specific and organized to support. Despite the existence of an office for net assessments in the Office of the Secretary of Defense, largely concerned with stimulating discrete studies by others, there has been no focal point for policy-supporting net assessments in the Executive Branch. Creation of such would allow intelligence support to be more effective. It would still, however, leave the delicate problems of determining how tightly Community support to such efforts should be coordinated, if at all.

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The DCI is, of course, responsible for the unique intelligence products of CIA. CIA's own intelligence products cover a wide range of subjects, time-horizons, and intended users. Some reports are specialized for the demands of a single customer. Some report on analytic efforts unique to CIA in the Community; e.g., [redacted]

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Soviet defense expenditures. Self-standing reports or serials issued by CIA are frequently intended as background information for both policymakers and other intelligence analysts working in the same area. In CIA, as in other producing entities, there is a powerful incentive to produce written product for career advancement. At the same time, there is a powerful need for written product to maintain the analytic base and memory of the Community.

The provision of warning and crisis- or conflict-management support to senior US policymakers is a major responsibility of national intelligence. CIA and the office of the DCI were created in large part to avert "another Pearl Harbor." It is, of course, the duty of all intelligence collectors and analysts at every level in every intelligence element to be alert for any indication of an impending foreign development that would affect US security interests. Partly for this reason, it has been difficult for the Community to organize a systematic

mechanism that specializes in the warning problem. Such mechanisms do exist at many levels. The key ones are alert and indications lists pertinent to specific warning problems, e.g., a Soviet attack in Europe; 24-hour watch and operations centers in the main intelligence agencies, communications among the several operations centers and with the White House; and the Strategic Warning Staff located in DIA, jointly manned, and headed by DIA's Deputy Director for Production, who is also the DCI's assistant for warning (this staff is limited to warning of Soviet, Chinese, or North Korean events and conducts an ongoing program of analysis and commentary on these areas.) Some contend that these mechanisms are insufficient and inadequately tied together in a national warning system. The DCI probably has sufficient power to build more integrity into the Community for purposes of warning. The question is how to do it.

Once a crisis erupts, all elements of the Community apply appropriate resources to the provision of crisis-management support to policymakers. Although significant warning failures have occurred, the record of intelligence support in crisis is generally praised.

There still have been problems, however, in pulling the Community together for this task. After several crisis experiences, the previous Administration instructed the DCI to create a system for integrating the many crisis situation reports that flooded up to senior levels from the major intelligence agencies. This prompted plans for Community task forces to produce a National Intelligence Situation Report.

President Ford also expressed the desire that such an integrated national "sitrep" incorporate such information on US actions and operations as needed to make it an all-points report of crisis developments. Plans to achieve such integration have so far been encumbered by reluctance on the part of the Joint Chiefs of Staff (JCS) and the Department of State to see intelligence reporting subsume their respective reporting obligations and include sensitive operational or diplomatic material in intelligence publications. Various means to compromise on these problems are under consideration. But the Carter Administration has yet to state what it wishes in the way of intelligence support to crisis management. Clearly the DCI cannot act unilaterally outside the sphere of intelligence.

The DCI's role as producer of national intelligence is central to his entire function. How well is that role performed? The overall quality and worth of national intelligence has been extensively scrutinized by critics within the Community, in the Executive Branch, and in the Congress. E. O. 11905 prescribed a formal semi-annual review of the timeliness and quality of intelligence products by the NSC, to be supported by studies of the Intelligence Community Staff (ICS). The first such study, issued in December of 1976, surveyed numerous intelligence consumers and producers, covered a broad subject range, and assayed a number of basic problems afflicting intelligence production in the Community. The outgoing Ford Administration did not consider this report (although the NSC met on intelligence in January 1977), and it remains to be seriously examined by the NSC.

This study and others like it, while varying in their catalogue of strengths and weaknesses, tend to come to the following judgments:

- a. The need of policymakers for intelligence is constantly expanding, as to subject coverage, and deepening, as to detail and sophistication required. There is probably no such condition as full satisfaction. But the practical result is that Community analytic resources are spread very thin.

the consumer side from innundating intelligence entities with requests for ad hoc support.

c. Apart from the volume and value of intelligence data collected and processed for analysis, the key variables governing the quality of intelligence product are generally the following:

- (1) the quality and number of analytical personnel in a given area;
- (2) the quality and extent of data bases, data processing, and data retrieval systems supporting analysis;
- (3) the "management environment" for analysis and production.

The first two items are self-evident. The third refers to such matters as whether good research and analysis are properly encouraged and rewarded, protected from "firefighting" and other staff distractions, etc.

There is a meaningful consensus in the Community that the quality of intelligence analysis and product could be substantially improved by achieving improvements in these key areas. Some cite the potential of new analytic methods, particularly from the social sciences, for improving intelligence analysis. The key question here is what capabilities the DCI has to achieve improvements in national intelligence production. The answer lies in part in his relationship to CIA, where his powers are great, and in his relationship to the rest of the Community, where they are much more limited. (See next two subsections.)

By the interest and expertise he demonstrates in the substance of intelligence production, the DCI can exert a great deal of leadership throughout the producing Community. He has considerable power to focus the content and streamline the process of national estimate production, if he chooses. Moreover, he can create quality control devices of various kinds to improve the analytic value of products before they are issued, and to assess their impact on the consumer.

There are important, if not easily measured, limits on what the DCI can do to extract the maximum product value from a currently existing body of analytic resources in the Community. Good analysis depends on good analysts with the time and motivation to assemble, digest, and synthesize data. But, because intelligence is a service business, it must jump when the door bell rings. No matter how enthusiastically intelligence managers and customers endorse the concept of carefully developed plans and priorities for intelligence production, there seems to be no way to avoid the steady stream of unanticipated events and requests for service that preclude their effective implementation, except at the margin. Departmental intelligence production entities are, of course, at the beck and call of their superiors, usually before the DCI. Even CIA is subject to voluminous ad hoc requests and demands that thwart systematic employment of analytic resources. They are resisted with difficulty at any level. The DCI, moreover, has a built-in incentive to be responsive and tends to be sufficiently distant from the actual process of analysis and production to be relatively insensitive to the strains placed on it.

These limits notwithstanding, the Community affords a mechanism for the production of national intelligence and places the DCI in recognized charge of it. Moreover, the overall structure of the mechanism does conform generally with the principles suggested in Section II as appropriate for assessing the "output" end of the intelligence process. It provides for diversified and specialized support to departmental needs. It provides a non-departmental source of intelligence judgment. It allows for sharing of data and judgments in common. And it provides for collaboration in agreement or expression of divergent views.

There are certainly weaknesses in all of these areas. In many cases the DCI has, as the senior national intelligence production authority, the powers needed to remedy or alleviate problems. Improvements are frequently more a matter of judgment and management attention than authority; for example, how to make the national estimate process more expeditious, or how to encourage more effective producer-consumer relations.

One major ingredient of the present national intelligence process that Community structure places largely beyond the DCI's influence is the quality of departmental participation in that process. Where he can enlarge, strengthen, or reorganize the analytical elements of CIA, he has little power, in practice, over the major departmental contributors to national intelligence

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analysis and production. Although he reviews their budgets in the NFIP process, and can undertake to evaluate their performance, he has scant authority to compel measures to improve that performance.

III. C. Head of CIA

The National Security Act of 1947 created the office of the DCI and the CIA as essentially one entity. On one hand, it was to be a centralizing element in a federated Community, correlating and evaluating all intelligence available to the government, and recommending coordinated actions by the Community to the NSC. At the same time it was to house a set of unique competences, i.e., "services of common concern" and those required for "other functions and duties." It was clearly Congressional intent that CIA become the home of a US civilian clandestine service arm. Congress created thereby a modest competence to pull things together in US intelligence and a substantial potential for unique capabilities. Little tension was perceived between these roles, and none between the DCI's role and CIA's role -- they were an identity.

Very quickly CIA began to build unique competence as an agency, and a variety of functions have grown up on the implications of the National Security Act, on historical need, and in the gaps between other elements of the federated Intelligence Community. These functions were not all spelled out until Executive Order 11905.

Today CIA contains:

- An independent (non-departmental) analytic capability of broad, but not universal, scope.
- A home for the Clandestine Service that performs foreign espionage, covert action, foreign counterintelligence, and, in the past, para-military operations.
- Varied R&D activities that support the Clandestine Service, analytic elements, and major national SIGINT and imagery collection programs.
- Varied technical collection operations.
- Varied services of common concern, including national photo interpretation, broadcast and document collection and processing, and selected data base maintenance.
- Needed support services.

CIA also houses, but does not "own" the DCI's main current element for national intelligence production on a Community basis -- the National Intelligence Officer staff. It once housed his Intelligence Community Staff (ICS) for Community policy, programming, and evaluation activities; the ICS is being pressed by Congress to assume an identity completely divorced from CIA.

It should be recognized that CIA is not an omnicompetent, independent national intelligence agency in the sense that it cannot do alone what it is responsible for. Like other

Community elements, it depends on the Community. Its analytic and production efforts depend heavily on collection activities performed in defense agencies, i.e., NSA, [redacted]

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[redacted] Defense Attaché System, as well as in non-intelligence departments, e.g., the Foreign Service. Its analytic capabilities do not cover all the substantive areas from which inputs to comprehensive national intelligence must come.

For example, agencies in Defense take the lead on most military order-of-battle development and many weapons technical analyses on which national production draws. [redacted]

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[redacted]
In other respects, the Agency has not been truly "of the Community." For many years it was insulated from outside pressures and scrutiny and enjoyed widespread acceptance of its basic missions. This gave CIA unique freedom and flexibility to pursue its missions effectively. Moreover, it can be said that CIA was not really one integrated organization throughout its history, but rather an assembly of relatively independent units and cultures for analysis, clandestine operations, and S&T activities. The DCI ran each more or less separately and emphasized one or the other depending on his interests and background. In the last year, under bombardment

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from outside and with the DCI turning increasingly to Community matters, the Deputy Director of Central Intelligence (DDCI) has moved to integrate CIA management at the Directorate level. But at lower levels, separate cultures persist.

The DCI enjoys line management control over CIA alone in the Intelligence Community. His powers are unusually strong for the head of a government agency, especially in areas of organization, personnel, and funding. CIA personnel are not governed by Civil Service regulations, and may be dismissed at the Director's discretion (in practice this power is qualified by recent court actions.) Over the years, the DCI has used these powers to develop new intelligence capabilities in CIA. At the same time, some would argue that past DCI's have not fully used their unusual powers sufficiently to:

- a. resolve lasting organizational anomalies and to overcome the problems of directorate separation;
- b. develop and implement policies that assure the highest quality in Agency personnel;
- c. provide adequate resources for national intelligence analysis and production.

The controversies of the past several years have placed obvious strain on the CIA. Investigations and new oversight activities have taxed the energies of staff and management

at all levels. The legitimacy and effectiveness of the Clandestine Service have been eroded by attacks, leaks, and investigations. This, in turn, has created some not easily measured morale problems for the Agency as a whole. In a basic sense, the nation has raised the question: Whether and how to run a clandestine foreign intelligence service? Maintaining such a capability is dependent on many considerations of law, management, funding, etc. But it bears also on considerations of Community structure in the sense that, whatever structure is chosen, it must make provision for the special requirements of clandestinity, unless such a capability is to be done away with entirely.

The above concerns may be obvious from recent events. Less widely appreciated have been the strains on CIA and its relationship to its head, the DCI, produced by the augmentation of the DCI's Community role since 1973 and especially since early 1976. Many in the Community see the DCI as bound to favor CIA, his own organization, in any Community deliberation on production, requirements, or resources in which CIA has an interest. Within CIA, recent trends have been seen in an entirely different light. The DCI represents CIA's link to the President and the NSC; he is therefore a crucial part of CIA's reason for being. To the extent he

devotes less time to his role as head of CIA to pay greater attention to Community matters, this link is seen to weaken and CIA's central and national status diminished. CIA becomes, in fact, what some others in the Community want it to be, "just another agency." But without a department secretary or military chain of command to serve, CIA is not "just another agency" like the rest of the Community, but an entity somewhat cut adrift.

With the creation in 1973 of the NIO staff, asserted to be more Community and less Agency-oriented in its work, CIA's DDI has felt removed somewhat from the national intelligence production process that constitutes its reason for being. This perception arises at management levels largely; analysts still labor on national intelligence, but more in response to NIOs and less to their own management structure.

In Community debates over resources, CIA elements perceive that they have lost their only advocate because the DCI must strive not to show favoritism toward CIA in order to maintain his credibility in the collegial context of Community resource management. The DDCI, in day-to-day charge of CIA affairs, is put in the awkward position of having to advocate CIA interests that may add difficulties to the DCI's Community role.

Amid this, the newly active layer of Community resource management and review, added to that of greater scrutiny by Congress, has encumbered the process of getting approval on major resource initiatives. CIA managers see this as threatening the unique flexibility and innovative capacity of CIA, particularly in technical and operational areas. There are, of course, at least two points of view on this. Others argue that the "good old days" are gone forever, and CIA must learn to do business as others do. But these adjustments have penalties as well as benefits, and adverse perceptions of them are real problems for CIA management.

In the long run CIA's effectiveness cannot withstand a conflict between the DCI's role as head of CIA and as Community leader. Part of the problem is the imbalance between the DCI's broad responsibilities and his more limited decisionmaking powers in the Community arena. This forces him into a position where he must appear to neglect CIA to be effective as a negotiator in the Community. Solutions to this problem all go to the heart of Community structure. The basic alternatives are:

- a. To strengthen DCI authorities over other key Community elements so that they match his authorities over CIA.

b. To subordinate CIA directly to an official who is not the Intelligence Community leader but who has powers rivaling or exceeding those of the Community leader, as the Secretary of Defense has over Defense intelligence entities.

c. Within roughly the present structure, reaffirm the centrality of CIA as a base for the DCI's Community authority as well as a home for unique national capabilities.

III. D. Leader of the Intelligence Community

The law establishing the CIA and the Office of the DCI recognized and perpetuated the existence of institutional diversity in US intelligence. Getting the best intelligence product out of these organizations is the DCI's oldest Community role. Aside from production of national intelligence and coordination of especially sensitive matters across agency lines, the most important and contentious role of the DCI in the Intelligence Community arises from the need to manage intelligence resources efficiently, particularly collection resources.

DCI resource management functions in the Community, as noted in Section II, have two dominant dimensions: First, the allocation of currently existing collection and processing resources to meet current and relatively near-term intelligence needs. Second, the preservation and development of collection and processing resources to meet intelligence needs in the future. Both activities are governed by the concept of requirements. In the current management arena, requirements are statements of information need that constitute or can be translated into actionable instructions to the operators of collection and processing resources. In the mobilization of resources for the future, requirements

are statements of information need that can be translated into guidance or specifications for the development of new intelligence capabilities, human or technical.

1. Current Collection Management: The Requirements and Priorities System

Today, the DCI is the senior and central requirements officer of the national intelligence community. He is in charge of the processes whereby the Community decides how to match current information needs with currently available collection assets. This role imparts to him considerable authority, although it is sometimes obscured by the seeming complexity of the processes involved and by their necessarily "democratic" nature.

The DCI's authority over intelligence requirements is based originally on the duty assigned to CIA by the National Security Act of 1947 to "make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies as relate to the national security." E. O. 11905 instructs the DCI to "develop national intelligence requirements and priorities." [NSCIDs . . .]

As much as on formal authority, the requirements systems of the Community grew up on the objective need of the Community for a set of market mechanisms to match collectors with users of data.

The requirements system starts with general statements of information need. The DCI's Key Intelligence Questions, for example, are topical and addressed to both producers and collectors. The major base-line statement of information needs and priorities is in DCID 1/2 and its attachment, which assembles comprehensively and ranks major classes of intelligence problem sets. These kinds of guidance allow collection managers to structure their basic effort. In addition, the system responds at the margin to specific demands from user elements that refine or depart from the base-line priorities.

Community collection management varies markedly among the three basic collection disciplines, imagery, signals intelligence, and human source collection. These variations are largely a function of the character of the respective disciplines, and partly a reflection of organizational preferences. In each case, the center point of the process is an interagency committee lodged in the Intelligence Community Staff (ICS) whose chairman reports to the DCI. What varies is the prescriptive power of these committee mechanisms over the actual operations of collectors, from

very strong in the case of imagery's Committee on Imagery Requirements and Exploitation (COMIREX) to quite weak in the case of the Human Resources Committee (HRC), with the SIGINT Committee in between.

National imagery collection is conducted by a small number of photographic satellites (and occasional aircraft). By its nature a photo satellite demands mechanical precision in its instructions. This dictates that the process of turning statements of information need into actionable instructions to a system be tightly compressed. The importance of the resource involved dictates that this function be highly placed in the Community and centralized. This results in the "COMIREX model" of requirements management, a requirements committee for bringing statements of need together and adjudicating conflicting priorities, and a specialized staff competence for turning statements of need into precise collection instructions. Overhead imaging systems are operated on comprehensive standing instructions which are adjusted to changing needs by the COMIREX mechanism.

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Users interact with the requirements mechanism through a central computer and remote terminals.

Collected images are general information packages that are easily disseminated and susceptible to decentralized exploitation. Hence the mechanical rigor and centralization of the imagery requirements process is more relaxed in the exploitation phase. All overhead imagery is distributed to some 25 major exploitation facilities among intelligence agencies and military commands, with the central requirements mechanism seeing that priority needs for reading out information are met and that appropriate data bases are maintained.

By comparison with imagery, the SIGINT world is much more diverse as to systems and suborganizations involved. SIGINT collection systems are much greater in number and their output requires much more specialized processing. Collection management therefore requires decentralized decisionmaking by stages. The central "market place," the SIGINT Committee in this case, must issue actionable statements of information need to the manager of US national SIGINT activity, the Director of NSA. On occasion, say, with respect to use of a critical SIGINT satellite in a crisis situation, this guidance may be prescriptive in detail. But generally it must and does leave the operator a good deal of discretion in mixing the diversity of taskable assets at his disposal. And procedures exist for users to address time-critical requirements to NSA directly, with advisory to the central committee mechanism. Under NSCID 6 (?), the Director, NSA, looks to the DCI's requirements

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mechanism for all SIGINT basic statements of requirements and priorities, including military and tactical requirements. During the last two years, the SIGINT Committee has been building a single, comprehensive National SIGINT Requirements System to embrace the whole of the SIGINT environment, COMINT, ELINT, and Telemetry.

In the area of human resources collection it would be misleading to claim that a national collection requirements system exists. Each HUMINT collection entity within intelligence can take guidance from general requirements statements, such as Key Intelligence Questions and DCID 1/2. But it basically operates on its own appreciation of national and departmental requirements developed through direct contact with analysts and customers. Several factors inherent in the nature and organizational structure of HUMINT account for this. Clandestine agents obviously cannot be tasked in the same manner as a satellite or a ground receiver. Moreover, the need for operational security inhibits the exchange of knowledge about agent capabilities, or even existence, that can take place in the requirements "market place" governing technical collectors. Of even greater importance, human intelligence collection is, in reality, spread among many US government entities that are outside intelligence and resist any formal identification with it, e.g., Foreign Service Officers, Treasury, Commerce, Agriculture attaches, military advisory groups. These extremely productive human intelligence

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collection resources do not accept requirements or tasking from intelligence, although they will respond to guidance. This distinction is more than semantic since it preserves the complete discretion of the non-intelligence collector. But it also precludes creation of a comprehensive human resources requirements system in any way analogous to those in imagery and SIGINT. As a result, the DCI's Human Resources Committee, in existence for two years, has concentrated on orientation and guidance to non-intelligence HUMINT collectors to heighten voluntary responsiveness to intelligence needs, and on post-hoc evaluation of overseas mission reporting.

The collection requirements and management systems of the Intelligence Community are evolving and growing, largely under the general pressure on intelligence to achieve and to demonstrate efficiency. There is still lacking a formal and unified system for "all-source" requirements development. Such competence is not absent from the requirements process now. It is scattered among the existing collection committees, special agency staffs, the NFIB itself, senior managers of the Community, and in user-analysts themselves. There are, in short, people and organizations that can effectively influence who does what best on an all-source basis. Yet the need is clearly growing for some institutionalized system to do this systematically and currently. Plans are presently being developed to meet this need, hopefully in a manner that does not merely add another layer of impedimenta to the system.

Except for the problem of non-intelligence human source collectors, most of the problems of Intelligence Community requirements management for current collection can be addressed within present structures and with present DCI authorities. Under any Community structure, the system must provide for a "democratic" interaction of needs and capabilities and sufficient central authority to set the pace and to see the system work.

In the area of current collection management, the most vexing problem pertinent to Community structure concerns the control of major national technical collection systems in time of war when the military-tactical needs these systems are increasingly capable of serving become much more important. This issue generates strong feelings and pervades the debate about DCI authorities over current collection operations and programming future resources. It cannot be conclusively resolved in the abstract. It is not at all clear, for example, whether there would be major conflicts of priority among military and civilian collection requirements in a war where these assets could perform meaningfully; or whether who presides over the process of adjudication would make a real difference. What is clear is that provision must be made for the effective operation of relevant collection assets in many different kinds of conflict situations. This requires careful

prior study, the creation of robust control mechanisms, and the exercise of applicable procedures. The peace-war control issue cannot be resolved at the last minute.

2. Requirements, Planning, Programming, and Budgeting
Intelligence for the Future

Who is in charge of the process of building US national intelligence capabilities for the future, and what authorities should he or they have? This more than any other single issue governs the debate over the structure of the Intelligence Community. At present the DCI has a newly strengthened but still fragile and difficult role.

Since World War II, a complex Community of organizations has been created to produce national intelligence. These organizations are lodged in numerous departments of government, most of them in the Defense Department. Since the late 1960s, all Presidents and, increasingly, the Congress have looked to the DCI as the nation's senior full-time intelligence officer to lead and to manage this Community. Emphasis on the importance of Community resource management for the future has steadily grown. The President and Congress expect the DCI to assure that resource allocations are optimally balanced across intelligence activities for the best product at the least cost.

Some would maintain that the mounting demand upon the DCI to fulfill this role has been unwise from the start and that departmentally based intelligence resource management should not be subject to centralized extra-departmental intelligence authority. But fiscal pressures created the demand for more and better intelligence resource management, while the DCI's "centrality" in the system, his seniority as the nation's substantive intelligence officer, and his undivided preoccupation with intelligence made him its natural focus. In the presence of vague or overlapping definitions of "national," "departmental," and "tactical" intelligence, some in Congress have sought to press on the DCI more responsibility for the latter classes of activities.

Defining and empowering this DCI responsibility has been studied intensely several times in recent years. To date, each round of decisions has resulted in giving the DCI Community management mechanisms that have been essentially collegial in nature because of the continuing line responsibilities of departmental management. That is, DCI responsibilities and powers overlapped or conflicted with those of other officers, notably the Secretary of Defense, requiring a negotiating forum to reach decisions. President Ford's Executive Order 11905 created such a forum for resource

management matters in the Committee on Foreign Intelligence (CFI), now called the Policy Review Committee (Intelligence).

Several of the elements of the Community are primarily national by charter and mission: CIA, NSA,

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Only CIA is directly subordinate to the DCI. NSA located in the Department of Defense, are especially significant in this context for the volume and importance of the intelligence data they collect for national, departmental, and, potentially, tactical purposes. Routinely these organizations respond to operational tasking by Community mechanisms in which Defense participates heavily and over which the DCI presides. In debates over programming and budgeting, they appear at times from the DCI's vantage point to be castled behind their institutional subordination to the Secretary of Defense. From the vantage point of senior Defense intelligence managers, however, they seem immunized from clear Defense control by their obligatory responsiveness to the DCI. The program manager's vantage point reveals the uncertainties, ambiguities -- and some flexibilities -- involved in having dual masters.

Other elements, such as DIA, other components of the General Defense Intelligence Program, State/INR, and the intelligence elements of Treasury, FBI, and ERDA exist primarily to serve departmental needs, but also play a vital

role in national intelligence collection and production. The ambiguities of dual masters are displayed in their program management to varying degrees as well.

The DCI's authoritative influence over collection priorities and requirements is a potentially strong, if imprecise, influence over the programs and budgets of NSA [redacted]

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25X1 [redacted] and other Community elements he does not directly control. Some believe that defining requirements and priorities should be the only basis for his influence on programs.

In the development of future intelligence capabilities, however, the long lead-times and great uncertainties as to both potential need and potential capabilities make requirements and priorities a very loose means of controlling actual behavior at best. There must be wide latitude for judgment and experimentation. There must be substantial hedging against unlikely but possible developments. Options, branch points, and margins for error must be built into any strategy for the development of future intelligence capabilities. Balances must be struck among the several goals of a multi-purpose system. The power to make these decisions is, in fact, the power to develop the capability.

A very important part of the DCI's Community leadership and resource management role is to stimulate technological and other initiatives aimed at improving collection and

production performance. Then he must assure such initiatives are realistically evaluated against requirements and cost. This dual obligation creates a challenge for any resource management system. "Tight" management tends to assure that only needed innovations are approved. But it may also, over time, suppress innovation.

The question before the house is whether and how well, via present collegial mechanisms, the DCI can accomplish effective resource management in the Community, especially as regards planning and programming for the future.

Prior to the issuance of E. O. 11905, the ability of the DCI to influence the allocation of Community resources was limited to his authority over the CIA and his participation as one of the two members of the Executive Committee (ExCom) which controlled [redacted]

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programs. Even there, where the DCI had direct but shared authority over reconnaissance programs and activities, some argued that he and the Department of Defense representative were limited to approval or disapproval of program manager recommendations. There was no effective method for the DCI to stimulate activity or to direct trades between programs.

The DCI's voice was also limited prior to E. O. 11905 by the comparative weakness of the mechanisms for making his views known to the President and the Office of Management and Budget (OMB). Departments and agencies submitted their budgets

separately to the President through OMB. Issues which developed during the budget formulation and submission period were often debated and resolved without direct DCI input. The DCI's recommendations were provided to the President in an independently drafted set of program recommendations delivered in mid to late December. By then, the value of this document was limited to little more than interesting reading.

The CFI was created in order to extend the ExCom style of management to the entire National Foreign Intelligence Program (NFIP). Lacking such a forum, the DCI would be relegated to the pre-E. O. 11905 situation; limited to bringing influence (but no authority) to bear on only selected resource decisions. He would be unable to force the Community to view the entire programs side-by-side and to shift resources among them.

During the past year, the first fully consolidated NFIP and budget were developed under the provisions of E. O. 11905. This was a major accomplishment. But, it was accompanied by persistent struggle over conflicting authorities and substantive judgments between the DCI and the Department of Defense. These struggles made unnecessarily cumbersome the process of rationalizing the overall NFIP budget. Progress was made in achieving

decisions on new initiatives and in obtaining Community positions on issues stimulated by Congress and OMB. Much less was accomplished in examining fundamental cross-program issues and resource balances such as implied by "zero-base budgeting." It has been difficult for departments/agencies having elements in the NFIP, especially the Department of Defense and the State Department, to accept the PRC (CFI) decisions as final and not subject to the ultimate decision authority of the Secretary or Agency head. Yet they must if the collegial decision technique embodied in the CFI is to yield a consolidated NFIP and budget for which the DCI can fairly be held responsible. Otherwise, the mechanism is essentially advisory and the DCI should not be held accountable for its results.

The achievements of the past year were attended by growing tension between the two management roles of the DCI: head of the Central Intelligence Agency and leader of the Community. Some have argued, as a consequence, he should be divested of the former so as to be "neutral" in executing the latter role. Others contend that this alone would only create a weaker DCI, with no executive base, or simply place another, weaker authority, between CIA and the President. To be a strong Community leader, the DCI needs, not less authority over his only present operating base, but more over other key Community elements.

One may reach the following divergent conclusions on the present Community management mechanism:

Opinion 1:

The present system did not work too badly for the first year. A learning curve will show improvement, especially as a full cycle of evaluation, planning, programming, and budgeting is implemented. Moreover, whatever the cost in bureaucratic struggle, it is essential that the future programs and budgets of the main national intelligence entities be thrashed out in a forum where a diversity of needs and views are authoritatively represented. A rational consolidated NFIP can be developed by collegial mechanisms, but, in the final analysis, the ultimate authority over the programs and budgets of departmentally based intelligence programs rests -- and must rest -- with the department head. The DCI should lead by defining requirements and priorities.

Opinion 2:

The first opinion is correct in stressing the achievements of the past year and the prospects for improvement as the present system shakes down. It is also correct to stress the value of collegial mechanisms in expressing the diversity of demands on intelligence programs that exist in the real world,

no matter what the authority structure, and that should be reflected in those programs. But stress on the ultimate authority of the department head over the Community mechanism chaired by the DCI is bound to make the system fail -- or at least very awkward. To function, the system requires direct access to and influence over the entire programming and budgeting process of all NFIP programs on the part of the DCI's Community mechanism and acceptance of collegial CFI, now PRC(I), decisions as final, but for infrequent cases appealed explicitly to the National Security Council and the President. In essence, the system can work if the members want it to work.

Opinion 3:

The present system leaves the DCI with too little power over entities other than CIA to achieve what is expected of him, a fundamental rationalization of resource allocation among the major national intelligence organizations and activities. He does not have sufficient direct power, except through the PRC(I), to investigate, call up well-supported program alternatives on, experiment with changes to, and, in the face of divergent views, conclusively resolve disputes on the major national intelligence programs whose integration

he is charged to accomplish. In addition, line command of CIA along with collegial leadership of the Community imposes tension on both jobs. The Community suspects the DCI and his Community officers of favoring CIA. CIA fears loss to the Community arena of its senior protagonist and only link to the President. To be a true Community manager held accountable as such, the DCI must have more line authority and direct budget control over NFIP elements other than CIA. At the very least, the DCI must gain line and budget control over the "commanding heights" of the national community he is responsible for:

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CIA, NSA, [redacted] The dual-master ambiguity of the latter three must be resolved in the DCI's favor.

III. E. Protector of Intelligence Sources and Methods

The National Security Act makes the DCI "responsible for protecting intelligence sources and methods from unauthorized disclosure" (50 USC 403(d)(3)). Executive Order 11905 supplements this responsibility. Notwithstanding the Government-wide nature of this responsibility, departments and agencies have generally applied sources and methods protective measures on an individual basis.

DCI Community leadership in protecting sources and methods has heretofore generally been limited to compartmented intelligence, and to dissemination and use restrictions for intelligence information. Factors that have tended to serve as a brake on a wider DCI role in this area are:

- a. Intelligence information must in large part rely for its protection on the total classification system, established by an Executive Order for all national security purposes;
- b. Personnel security procedures for other than compartmented access are governed by Executive Orders and departmental regulations, which are again designed to support general national security purposes.
- c. There are no Government-wide agreed definitions for intelligence sources and methods; and

d. There are no effective laws to deter and punish the unauthorized public disclosure of sources and methods information.

The problem of unauthorized disclosures of classified information affects sources and methods data as much as it does defense or foreign policy information. Whether this development has been prompted more by loss of credibility of classifications in general, or by the lack of sanctions against disclosure, is a conundrum. In any event the system is out of balance. Those whose concern is to protect sensitive information tend to over-classify and rely more than they should on compartmentation to compensate for weaknesses in the security system. The belief that classifications and controls are arbitrary is thus enhanced, further loosening inhibitions against disclosure. This leads to even more overcontrol, resulting also in restriction of dissemination of intelligence needed for analysis, management and operations.

Past approaches to the problem have involved the DCI in seeking new legislation to prevent future damaging disclosures of sources and methods information. The Congress has been unreceptive because of intelligence improprieties and more general abuse of the "national security" label. Effective statutory support for the DCI's responsibility in this area must still be sought--but in concert with wider initiatives

on official secrecy and initiatives which he can take in protecting sources and methods information. Those initiatives would include:

a. Reinvigorating the classification system within the Intelligence Community. The DCI could:

(1) Direct classification by content and by paragraph to make originators think as much about sensitivity as about substance, and thereby see that truly sensitive sources and methods information is distinguished in classification from less sensitive product;

(2) Play a leading role in revising E.O. 11652 to tighten definitions and individual responsibility, and to provide for classification guidance sufficient to show originators what information is particularly sensitive so they can mark it properly for protection.

b. Strengthening supplemental controls (including compartmentation) for particularly sensitive information.

The DCI could:

(1) Define criteria for such controls, and establish definitions for the sensitive sources and methods data to be protected thereby;

(2) Provide guidance for Community collectors and producers to insure that sensitive source data is separated in whole or in part from intelligence product designed for consumers;

(3) Enhance the effectiveness of compartments, and limit their adverse effects on dissemination and use, by subjecting them to the "sunset law" concept-- i.e., establish or renew them for Community use only upon DCI approval based on demonstrated inability of normal classifications to protect the information and on Community risk-gain assessments by both collectors and consumers;

(4) Push vigorously for full authority to determine security policy for the TALENT KEYHOLE system (now controlled by a 1960 Presidential directive whose premises have been eroded over time).

c. Improving the personnel security system governing access to intelligence information. The DCI could:

(1) Seek early determination of what background information on persons is both needed and used for determining intelligence access;

(2) Use the information so developed to push for revision of Executive Orders 10450 and 10865, governing Government employees and contractors respectively, and of other departmental programs, so as to insure that all who have actual or potential access to sources and methods data meet minimum and consistent standards.

d. Seeking Congressional enactment of a statute with "teeth" to protect sources and methods information and to punish meaningfully those who disclose it. The DCI could improve the chances for passage of such a law by requiring it to be limited to a clearly and narrowly defined class of sensitive sources and methods data, and by showing the Congress that the Community was making significant progress in taking all the actions it could to reform and strengthen its classification and control practices.

Compartmentation and dissemination practices will, of course, have to be continually reviewed and probably revised to afford wider access to many new users of intelligence. This applies particularly to military users of satellite-derived information.

III. F. Participant in US Foreign Counterintelligence (CI)* Policies and Activities

The size and extent of the Soviet/East European/Cuban human intelligence effort against the US continues its increasing trend and constitutes a significant threat to national security. This hostile intelligence effort includes not only a larger Soviet official presence in the US, but large numbers of technical, cultural, and economic visitors to the US; a large number of Soviet vessels with their crews; and extensive Soviet operations to recruit Americans in and from third countries.

The US foreign CI effort against this threat is carried on by five separate agencies -- the FBI, CIA, US Army Intelligence Agency (USAINTA), Naval Investigative Service (NIS), and Air Force Office of Special Investigations (AFOSI). There is no national CI policy or structure. Coordination is inadequate. The CIA coordinates CI operations abroad; the FBI, within the US. There is no centralized operational coordination in the Department of Defense. There is nothing overall. Furthermore, in terms of resource purview, the CI components of the FBI and CIA are now within the National Foreign Intelligence Program, but the military CI agencies are not.

*The E.O. 11905 definition of foreign CI applies. The emphasis is on the foreign relationship; the locus may be either within the US or abroad. Substantively it does not include protective security functions but does include foreign CI collection, investigations for operational leads, operations, related information processing, and production.

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This situation adversely affects our national ability to deter the foreign hostile intelligence threat. The FBI has the bulk of the resources devoted to the national foreign CI effort. The FBI, however, is still experiencing practical difficulties in building a career CI corps with resources adequate for the threat. CIA, which is responsible for CI operations abroad, from whence a significant part of the CI threat comes, is still rebuilding its CI program to make up for past problems.

Foreign CI sooner or later involves Americans. Legal and public concerns with insuring protection of constitutional and statutory rights sometimes slow individual agency foreign CI efforts and impede their effectiveness.

The basic problem therefore is how to strengthen the national foreign CI program while insuring that the constitutional and statutory rights of Americans and others entitled to these rights are protected.

The deficiencies and the problem are widely recognized. The Church Committee has recommended the creation of a new NSC CI Committee with the Attorney General (AG) as Chairman, and a classified review of current CI issues to provide for enunciation of a classified Presidential statement on national CI policy and objectives. The President's Foreign Intelligence Advisory Board (PFIAB) has recommended the development by the AG, in

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consultation with the DCI, of a national CI policy directive, and the establishment at a senior level of a CI coordinating mechanism responsible to the DCI and the AG.

In recognition of and in response to the above, the Intelligence Community Staff (ICS) drafted and circulated for Community comment a proposed unclassified Executive Order to establish an AG-chaired NSC-level National CI Policy Committee with a subordinate working body. The Department of Defense, State, FBI, and CIA have all supported the proposal in principle. An approach to Attorney General Bell by the DCI, the Deputy to the DCI for the Intelligence Community, and the FBI Director is planned as a next step to secure Attorney General Bell's agreement in principle to head such a group. A Community working group under ICS auspices would then revise the original proposal to reflect Community comments on it and new insights.

There is no real alternative to the establishment of a national foreign CI policymaking and coordinating structure. Without it the problem will only get worse.

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III. G. Guarantor of Propriety

The National Security Act of 1947 and the Central Intelligence Agency Act of 1949 are silent on the issue of the DCI responsibility for insuring the propriety of intelligence activities within the Intelligence Community. As the head of CIA, the DCI is provided with an Inspector General (IG) and the normal mechanisms for discovery and investigation of impropriety within CIA. In addition, as a senior public official, the DCI is sworn to uphold the Constitution and to execute all of his duties in a responsible manner.

Executive Order 11905 does make the DCI responsible for "establishing procedures to insure the propriety of requests and responses from the White House staff or other executive departments and agencies of the Intelligence Community." However, the Executive Order does not provide any authorities or mechanisms for exercising these responsibilities on a Community basis.

The Executive Order also directs the DCI to "insure the existence of strong inspector general capabilities in all elements of the Intelligence Community." The Order further directs the DCI to insure that each inspector general submits a quarterly report to the Intelligence Oversight Board which sets forth any questionable activities.

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Although the DCI does not have formal authorities or mechanisms for insuring the propriety of activities of the Intelligence Community, he is seen by the public, Congress, and probably by the President as the responsible government official. In fact, there is a large gap between his perceived and his actual authority.

Precisely defining what type of intelligence activities are proper and improper is no mean task. Executive Order 11905 lists a series of collection activities that are prohibited. However, the Intelligence Community, and the DCI as its leader, often are taken to task for activities that are not on that list or included in by any other formal definition of improper activities. But given the nature of intelligence, there is a strong possibility that such nonexcluded activities may cause a public or Congressional reaction because they are seen as insensitive to the current climate of opinion about intelligence, because they are poorly conceived, or because they are only partially understood by their critics. Although not "on the list" of restricted activities, the public, Congress, and even the Executive may judge them as improper and hold the DCI responsible.

Executive Order 11905 established the Intelligence Oversight Board (IOB) and directed the various inspectors general of the intelligence agencies to report to the Board

questionable activities involving legality or propriety. The IGs were required to provide quarterly reports to the IOB, provide any information requested by the Board and to develop procedures for discovering and reporting on questionable activities. Reports to the IOB by intelligence elements other than CIA are not made available to the DCI.

The DCI has no Community inspector general nor is he the channel through which inspectors general report improprieties. In fact, inspectors general of the various intelligence organizations have indicated they would not provide these reports to the DCI and that such a reporting procedure might itself be illegal.

Although the inspectors general of the various agencies do not report to or through the DCI, he does have a variety of means for monitoring intelligence activities. Clandestine operations conducted by the DOD must be coordinated with the DCI and sensitive intelligence operations (technical and human) receive scrutiny by the DCI at both the departmental level and at the Special Coordinating Committee (SCC) level. However, the DCI is in no position to dig down into the activities of an agency, other than CIA, and discover improprieties in its activities.

Under the current structure of the Intelligence Community, there is serious question as to whether the DCI should be

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provided with direct authority over the inspectors general of the independent agencies. An increase in his authority would result in a decrease in the role of individual inspectors general. Although the DCI might provide some greater uniformity in the criteria for determining propriety and in the standards and procedures for reporting questionable activities, this increased authority would impinge directly on the responsibilities of the heads of departments and independent agencies.

III. H. Coordinator of Liaison with Foreign Intelligence Services

No comprehensive national policy has been issued to govern the conduct of US official relationships with foreign intelligence and security services. Several aspects of foreign liaison are, however, addressed in NSCIDs 2, 5 and 6 and related DCI Directives. Some ambiguity results from this piecemeal approach, especially as pertains to the respective responsibilities of the DCI, the DIRNSA, and Chiefs of US Missions abroad. Relationships with foreign intelligence and security organizations are maintained by several departments and agencies within, and outside of, the Intelligence Community to exchange intelligence, counterintelligence and related information for mutual benefit. The totality of US-foreign liaison relationships and information exchanges (intelligence or otherwise) is not now under the cognizance, control or management of any single individual or organization in the government. A national policy issuance which assigned specific responsibilities and oversight for foreign liaison supportive of national intelligence needs would be both desirable and timely.

The responsibilities of the DCI for coordination of US foreign intelligence activities as described in NSCIDs 1 and 2 need to be more clearly defined in relation to State and Defense responsibilities set out in NSCID 2.

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NSCID 1 provides that the DCI "shall coordinate the foreign intelligence activities of the United States in accordance with existing law and applicable directive," and that "The DCI shall formulate, as appropriate, policies with respect to arrangements with foreign governments on intelligence matters." NSCID 2 (Coordination of Overt Collection Activities) provides that "The DCI shall ensure that the planning for utilization of collecting and reporting capabilities...avoids unnecessary duplication and uncoordinated overlap."

NSCID 2 provides that "The Department of State shall have primary responsibility for, and shall perform as a service of common concern, the collection abroad...of political, sociological, economic, scientific, and technical information."

NSCID 2 gives the Department of Defense responsibility for collection of military intelligence information.

NSCID 2 provides that "The Senior U.S. representative... shall coordinate in his area the collection activities not covered by other National Security Council Directives." The above noted responsibilities given to State, Defense and the Senior Representative in NSCID 2 presumably are intended to include collection through foreign liaison. The DCI's authority to coordinate US foreign intelligence activities appears to apply to collection via overt as well as covert foreign liaison arrangements, but generally speaking is being exercised only in the latter.

The DCI exercises a predominant foreign liaison coordinating role in clandestine intelligence and CI matters. NSCID 5 provides that the DCI will coordinate liaison that "concerns clandestine activities or that involves foreign clandestine services . . ." and that CIA shall conduct liaison with foreign clandestine services as a service of common concern. The directive also permits "other departments and agencies with commands or installations located outside the U.S." to conduct such liaison provided it is coordinated with the DCI. There is no problem with this part of NSCID 5.

Since NSCID 5 is limited to clandestine matters, it does not address the DCI's role per NSCIDs 1 and 2 in the extensive non-clandestine foreign liaison intelligence exchange activities carried out by Defense Department elements and other federal agencies under various intelligence and security-related programs. In addition to clandestine charters, many foreign intelligence services have criminal investigation, overt collection, analysis and production responsibilities in the context of which various US Government intelligence elements need to conduct liaison. These factors have caused occasional coordination problems at the field level, primarily in areas where major US military commands are located, [redacted]

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[redacted] military intelligence representatives have disagreed on the extent of [redacted] control over information exchanges between the US military and host country intelligence

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components. Such conflicts appear to stem from an inadequate understanding of the DCI's authority and responsibilities on such matters rather than from a need for new policies or directives. We would expect such problems to largely disappear in the event of more centralized management and oversight of US-foreign intelligence liaison relationships and information exchanges.

Intelligence exchanges and activities with foreign intelligence services in sensitive compartmented activities, such as SIGINT and imagery, have required special arrangements. The issue in these cases normally is the protection and control of the product of sensitive technical operations. The DCI's basic responsibilities and authorities are set out in the statutory provisions on protection of sources and methods as well as in Section 3(d)(x) of Executive Order 11905.

In the case of imagery, the DCI's authorities are specifically set out in special Presidential memoranda. These memoranda provide for DCI control over policy and procedures for exchange of imagery products with certain

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zations. Most of this product is military-related and complex agreements have been worked out with the foreign countries concerned, governing the use of this special product. This product control function is carried out under the DCI's aegis with active participation by the Department of Defense, State,

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and others. In sensitive cases of this nature, where a single central control point is obviously required, the DCI's statutory responsibility for protecting sources and methods and E.O. 11905 properly includes such exchange arrangements with foreign intelligence and security services.

Because of the sometimes confusing lines of authority inherent in NSCID's 5 and 6 with respect to SIGINT activities, problems occasionally arise in interpreting what respective roles should be played in the SIGINT field by the DCI and the Director of the National Security Agency (DIRNSA).

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solution to this problem suggests itself at this time but it is one that should be addressed when the NSCIDs are revised and updated.

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III. I. Spokesman to Congress

Executive Order 11905 names the DCI as the principal spokesman to Congress for the Intelligence Community and instructs him to facilitate the use of intelligence products by Congress. In addition, the Foreign Assistance Act of 1974 requires that the President certify each of CIA's covert action programs and to so notify the Congress. The responsibility for such reporting has been delegated to the DCI. Over the past few years, the DCI has presented to Congress the NFIP after its approval by the President. Congressional committees tend to look to the DCI as the principal spokesman on the NFIP although not as the only spokesman.

Problems. The DCI's role as spokesman is not without pitfalls. Traditionally, if not by law, the primary role of the DCI is to serve the President and the national security structure of the Executive Branch. If the DCI is to become a principal supplier of intelligence information and analysis to the Congress, he may be placed in the awkward position of attempting to serve two masters who, by Constitutional design, are frequently on different sides of major foreign policy issues. In these circumstances, the objectivity which is the DCI's most precious attribute may be challenged by both sides. At a minimum, the Director may lose the confidence

of other elements of the Executive Branch, particularly DOD and State, on which he depends for critically important feedback on foreign policy planning and other sensitive information which these elements glean in the course of their work. Accordingly, one of the foremost problems in the years ahead may be to find a way in which the Director can respond to the proper demands of Congress without jeopardizing his relations with the Executive.

The manner in which the Intelligence Community is organized probably will not significantly change the DCI's role as spokesman to Congress. Were his Community powers enhanced, the DCI would be in a position to better insure that intelligence elements speak with a single voice. However, the DCI probably would not wish to place restrictions on program managers nor would Congress acquiesce in the application of such restrictions. Program managers are obviously in the best position to provide the details on the objectives and funding of their particular activities.

The DCI is responsible for the production of national intelligence and as such he has a special role in providing Congress with substantive judgments on key intelligence issues. Organizational changes in the Intelligence Community would not seriously change the DCI's responsibility in this

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area or increase his authorities as the spokesman to Congress. Whatever his management responsibilities under any organizational realignment, the DCI would be under considerable pressure to provide the full range of differing views that exists within the Intelligence Community to Congress even though he would also be asked to provide "the best judgment of the Community."

Organizational changes in the Community will not affect the DCI's primary role as the spokesman to Congress on intelligence operations, particularly covert action programs. The DCI currently is viewed as the responsible authority in this area and it is unlikely that even a more definite split between the Director of CIA and the DCI would relieve the DCI of ultimate responsibility in this area of intelligence activity.

III. J. Public Spokesman

There is no formal statutory basis for the DCI as public spokesman of the Intelligence Community. Executive Order 11905 and NSCIDs are silent on this subject. However, as the senior intelligence officer and intelligence advisor to the President, the DCI is viewed by those inside and outside of government as the principal spokesman on intelligence issues. The public probably tends to reach this conclusion because most of the issues that surface are associated with CIA and the DCI as head of CIA.

Of late, the DCI frequently is called upon as the public spokesman to comment on the involvement of intelligence elements in a particular activity, to rebut charges of impropriety, or to comment on substantive issues. DCIs have been forced to go public during periods of controversy and in response to pressure from the press. To relieve public concerns about the impropriety of secret intelligence activities, it probably will be necessary for the Intelligence Community to release increasingly larger amounts of its substantive output on an unclassified basis. As Congressional oversight has become more intense and formalized, it has been necessary for the Community leaders to appear before a widening

number of Congressional bodies. There probably will be greater emphasis on open sessions to the extent that they do not seriously affect the necessarily classified aspects of intelligence activities.

Regardless of the organizational configuration of the Intelligence Community, the DCI will be expected to continue the trend toward greater openness and to accept a continuing role as public spokesman for the Community. There is little likelihood that the DCI can go back to the "no comment" stance of several years ago. As the DCI gains greater visibility in this role, there likely will be increased criticism that he is stifling disagreement and intelligence judgments that run contrary to the "agreed" position. Coordinated intelligence will draw the fire of those who claim that dissenting views are being suppressed.

It is unlikely and probably undesirable that the DCI's voice be the only one heard in the public arena. The DOD will continue to present its views on intelligence matters. In this regard, a primary role of the DCI will be to ensure that the protection of sources and methods is maintained.

It will probably be necessary to lay down some specific guidelines for the release of information to the public on intelligence matters. But such procedures do not rest on an organizational change in the Community.

MEMORANDUM FOR: The Record

PRM-11 Official

Tab A - 1 April 1977 issues. See appropriate Tab in
PRM-11 Official File for copy.

Tab B - Attached

Tab C - NSC Semi-Annual Review (See PAID Official
Files for copy)

Michelle
4/18/77

Date

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